To: Blankenship, Melissa[Blankenship.Melissa@epa.gov]

From: Delancey, George J LRL Sent: Thur 1/9/2014 7:19:12 PM

**Subject:** RE: any updates (UNCLASSIFIED)

Classification: UNCLASSIFIED

Caveats: NONE

Bill Gunn's response

George - sorry for the delay in getting back to you. There are some reasons as to why the two areas are split and why there is some common area shared by the two permits. First, Pigeon Creek is obviously a major feature that naturally and physically separates two reserves that can both be surface mined. Second, SMCRA permits for these two reserves have been submitted individually (Seven Hills due to be approved in the very near future) as the two reserves are scheduled for production at different times. This provides for cycling of equipment from multiple other operations where reserves will be depleted at different times. Third, these two sites have totally different characteristics with regards to surface topography and land forms. As you know, the Seven Hills site(west of Pigeon Creek) is generally rolling topography on its western flank and flat bottomland on its eastern flank whereas the High Point site is pretty extreme in topographical variation(some of the highest elevations in southern Indiana) with little to no bottomland area/s and is completely surrounded on all sides by reclaimed previously surface mined areas which includes some final pit impoundments, some remnant dry bottom final pits, some farmland and some open fields. As for the shared acreage, this was done in order to keep our options open as to where we may locate a processing facility and utilize the large open pit impoundment to support said facility for water supply and/or slurry disposal. We are open to discuss how "shared" area/s are addressed in each permit, if necessary. Hope this adequately answers your questions. Bill

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Caveats: NONE